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## INITIATIVE 342

I, Sam Reed, Secretary of State of the State of Washington and custodian of its seal, hereby certify that, according to the records on file in my office, the attached copy of Initiative Measure No. 342 to the Legislature is a true and correct copy as it was received by this office.

1       AN ACT Relating to limiting government-imposed charges on motor  
2 vehicles; amending RCW 46.16.070, 81.100.060, 36.120.050, 82.08.020,  
3 46.16.237, 46.16.270, 82.44.065, 35.95A.130, and 81.104.160; reenacting  
4 and amending RCW 46.16.0621; adding a new section to chapter 82.44 RCW;  
5 creating new sections; repealing RCW 82.80.100, 82.80.130, 46.16.071,  
6 46.--.---, 46.--.---, 46.16.---, and 82.80.---; and providing an  
7 effective date.

8       BE IT ENACTED BY THE PEOPLE OF THE STATE OF WASHINGTON:

## 9                               POLICIES AND PURPOSES

10       NEW SECTION.   **Sec. 1.**   Voters have twice approved \$30 tabs, yet  
11 politicians are ignoring the voters' repeated, unambiguous mandate by  
12 imposing higher and higher vehicle taxes and fees, by inflating  
13 vehicles' values in order to extract artificially high amounts of  
14 revenue from taxpayers, and by ignoring the provisions of voter-  
15 approved initiatives. It's not fair and it must stop. As long as  
16 taxpayers must pay a huge general sales tax to buy a vehicle (meaning  
17 state and local governments receive huge windfalls of sales tax revenue

1 from these transactions) and pay a huge gas tax to use a vehicle, the  
2 people find that the government is not entitled to a "third bite of the  
3 apple," taxes and fees above a reasonable annual amount to simply own  
4 a vehicle. Without this follow-up measure, "tab creep" will continue  
5 until license tab fees are once again obscenely expensive, as they were  
6 prior to Initiative 695. This measure and each of its provisions limit  
7 government-imposed charges on motor vehicles. This measure would set  
8 license tab fees for motor vehicles at \$30 per year, repeal certain  
9 vehicle taxes and fees, use market value, and not the artificially  
10 inflated manufacturer's suggested retail price (MRSP), to calculate  
11 vehicle taxes, and eliminate voter-repealed vehicle excise taxes and  
12 fees by requiring retirement of certain bonds. Politicians promised  
13 "\$30 license tabs are here to stay." Politicians should keep their  
14 promises. \$30 means \$30.

15 **LIMITING GOVERNMENT-IMPOSED CHARGES ON MOTOR VEHICLES**  
16 **BY SETTING LICENSE TAB FEES AT \$30 PER YEAR**

17 **Sec. 2.** RCW 46.16.0621 and 2003 c 1 s 2 are each reenacted and  
18 amended to read as follows:

19 1) (~~License tab fees are required to be thirty dollars per year~~  
20 ~~for motor vehicles, regardless of year, value, make, or model~~) License  
21 tab fees are set at \$30 per year for motor vehicles, regardless of  
22 year, value, make, or model.

23 2) (~~For the purposes of this section, "license tab fees" are~~  
24 ~~defined as the general fees paid annually for licensing motor vehicles~~  
25 ~~and trailers as defined in RCW 46.04.620 and 46.04.623, including cars,~~  
26 ~~sport utility vehicles, motorcycles, and motor homes. Trailers~~  
27 ~~licensed under RCW 46.16.068 or 46.16.085 and campers licensed under~~  
28 ~~RCW 46.16.505 are not required to pay license tab fees under this~~  
29 ~~section)) For the purposes of this section, "license tab fees" are~~  
30 defined as the general fees paid annually for licensing motor vehicles,  
31 including but not limited to cars, sport utility vehicles, motorcycles,  
32 and motor homes. This fee shall be paid and collected annually and is  
33 due at the time of initial and renewal vehicle registration. Trailers  
34 licensed under RCW 46.16.068, 46.16.085, 46.04.620, or 46.04.623 and  
35 campers licensed under RCW 46.16.505 are not required to pay license  
36 tab fees under this section.

37 **LIMITING GOVERNMENT-IMPOSED CHARGES ON MOTOR VEHICLES BY SETTING**  
38 **LICENSE TAB FEES AT \$30 PER YEAR (FEES FOR HEAVY TRUCKS AND TRAILERS**

ARE BASED ON GROSS WEIGHT AT RATES LISTED BELOW)

**Sec. 3.** RCW 46.16.070 and 2005 c 314 (ESSB 6103) s 204 are each amended to read as follows:

(1) ~~((In lieu of all other vehicle licensing fees, unless specifically exempt, and in addition to the mileage fees prescribed for buses and stages in RCW 46.16.125, there shall be paid and collected annually for each truck, motor truck, truck tractor, road tractor, tractor, bus, auto stage, or for hire vehicle with seating capacity of more than six, based upon the declared combined gross weight under chapter 46.44 RCW, the following licensing fees by weight:))~~ In lieu of all other vehicle licensing fees, unless specifically exempt, and in addition to the mileage fees prescribed for buses and stages in RCW 46.16.125, there shall be paid and collected annually for each truck, motor truck, truck tractor, road tractor, tractor, bus, auto stage, or for hire vehicle with seating capacity of more than six, based upon the declared combined gross weight or declared gross weight under chapter 46.44 RCW, the following licensing fees by such gross weight:

<del>((WEIGHT))</del>	<del>((SCHEDULE-A))</del>	<del>((SCHEDULE-B))</del>
<u>DECLARED GROSS WEIGHT</u>	<u>SCHEDULE A</u>	<u>SCHEDULE B</u>
<del>((4,000 lbs.))</del>	\$ <del>((40.00))</del>	\$ <del>((40.00))</del>
<u>4,000 lbs.</u>	<u>30.00</u>	<u>30.00</u>
<del>((6,000 lbs.))</del> . . . . .	\$ <del>((50.00))</del> . . . . .	\$ <del>((50.00))</del>
<u>6,000 lbs.</u>	<u>30.00</u>	<u>30.00</u>
<del>((8,000 lbs.))</del> . . . . .	\$ <del>((60.00))</del> . . . . .	\$ <del>((60.00))</del>
<u>8,000 lbs.</u>	<u>30.00</u>	<u>30.00</u>
<del>((10,000 lbs.))</del> . . . . .	\$ <del>((62.00))</del> . . . . .	\$ <del>((62.00))</del>
<u>10,000 lbs.</u>	<u>30.00</u>	<u>30.00</u>
<del>((12,000 lbs.))</del> . . . . .	\$ <del>((79.00))</del> . . . . .	\$ <del>((79.00))</del>
<u>12,000 lbs.</u>	<u>30.00</u>	<u>30.00</u>
<del>((14,000 lbs.))</del> . . . . .	\$ <del>((90.00))</del> . . . . .	\$ <del>((90.00))</del>
<u>14,000 lbs.</u>	<u>30.00</u>	<u>30.00</u>
<del>((16,000 lbs.))</del> . . . . .	\$ <del>((102.00))</del> . . . . .	\$ <del>((102.00))</del>
<u>16,000 lbs.</u>	<u>30.00</u>	<u>30.00</u>
<del>((18,000 lbs.))</del> . . . . .	\$ <del>((154.00))</del> . . . . .	\$ <del>((154.00))</del>
<u>18,000 lbs.</u>	<u>30.00</u>	<u>30.00</u>
<del>((20,000 lbs.))</del> . . . . .	\$ <del>((171.00))</del> . . . . .	\$ <del>((171.00))</del>
<u>20,000 lbs.</u>	<u>30.00</u>	<u>30.00</u>
<del>((22,000 lbs.))</del> . . . . .	\$ <del>((185.00))</del> . . . . .	\$ <del>((185.00))</del>
<u>22,000 lbs.</u>	<u>185.00</u>	<u>185.00</u>

1	((24,000 lbs.)). . . . .	\$ ((200.00)). . . . .	\$ ((200.00))
2	<u>24,000 lbs.</u>	<u>200.00</u>	<u>200.00</u>
3	((26,000 lbs.)). . . . .	\$ ((211.00)). . . . .	\$ ((211.00))
4	<u>26,000 lbs.</u>	<u>211.00</u>	<u>211.00</u>
5	((28,000 lbs.)). . . . .	\$ ((249.00)). . . . .	\$ ((249.00))
6	<u>28,000 lbs.</u>	<u>249.00</u>	<u>249.00</u>
7	((30,000 lbs.)). . . . .	\$ ((287.00)). . . . .	\$ ((287.00))
8	<u>30,000 lbs.</u>	<u>287.00</u>	<u>287.00</u>
9	((32,000 lbs.)). . . . .	\$ ((346.00)). . . . .	\$ ((346.00))
10	<u>32,000 lbs.</u>	<u>346.00</u>	<u>346.00</u>
11	((34,000 lbs.)). . . . .	\$ ((368.00)). . . . .	\$ ((368.00))
12	<u>34,000 lbs.</u>	<u>368.00</u>	<u>368.00</u>
13	((36,000 lbs.)). . . . .	\$ ((399.00)). . . . .	\$ ((399.00))
14	<u>36,000 lbs.</u>	<u>399.00</u>	<u>399.00</u>
15	((38,000 lbs.)). . . . .	\$ ((438.00)). . . . .	\$ ((438.00))
16	<u>38,000 lbs.</u>	<u>438.00</u>	<u>438.00</u>
17	((40,000 lbs.)). . . . .	\$ ((501.00)). . . . .	\$ ((501.00))
18	<u>40,000 lbs.</u>	<u>501.00</u>	<u>501.00</u>
19	((42,000 lbs.)). . . . .	\$ ((521.00)). . . . .	\$ ((611.00))
20	<u>42,000 lbs.</u>	<u>521.00</u>	<u>611.00</u>
21	((44,000 lbs.)). . . . .	\$ ((532.00)). . . . .	\$ ((622.00))
22	<u>44,000 lbs.</u>	<u>532.00</u>	<u>622.00</u>
23	((46,000 lbs.)). . . . .	\$ ((572.00)). . . . .	\$ ((662.00))
24	<u>46,000 lbs.</u>	<u>572.00</u>	<u>662.00</u>
25	((48,000 lbs.)). . . . .	\$ ((596.00)). . . . .	\$ ((686.00))
26	<u>48,000 lbs.</u>	<u>596.00</u>	<u>686.00</u>
27	((50,000 lbs.)). . . . .	\$ ((647.00)). . . . .	\$ ((737.00))
28	<u>50,000 lbs.</u>	<u>647.00</u>	<u>737.00</u>
29	((52,000 lbs.)). . . . .	\$ ((680.00)). . . . .	\$ ((770.00))
30	<u>52,000 lbs.</u>	<u>680.00</u>	<u>770.00</u>
31	((54,000 lbs.)). . . . .	\$ ((734.00)). . . . .	\$ ((824.00))
32	<u>54,000 lbs.</u>	<u>734.00</u>	<u>824.00</u>
33	((56,000 lbs.)). . . . .	\$ ((775.00)). . . . .	\$ ((865.00))
34	<u>56,000 lbs.</u>	<u>775.00</u>	<u>865.00</u>
35	((58,000 lbs.)). . . . .	\$ ((806.00)). . . . .	\$ ((896.00))
36	<u>58,000 lbs.</u>	<u>806.00</u>	<u>896.00</u>
37	((60,000 lbs.)). . . . .	\$ ((859.00)). . . . .	\$ ((949.00))
38	<u>60,000 lbs.</u>	<u>859.00</u>	<u>949.00</u>
39	((62,000 lbs.)). . . . .	\$ ((921.00)). . . . .	\$ ((1011.00))
40	<u>62,000 lbs.</u>	<u>921.00</u>	<u>1011.00</u>

1	((64,000 lbs.)). . . . .	\$ ((941.00)). . . . .	\$ ((4031.00))
2	<u>64,000 lbs.</u>	<u>941.00</u>	<u>1031.00</u>
3	((66,000 lbs.)). . . . .	\$ ((1048.00)). . . . .	\$ ((1138.00))
4	<u>66,000 lbs.</u>	<u>1048.00</u>	<u>1138.00</u>
5	((68,000 lbs.)). . . . .	\$ ((1093.00)). . . . .	\$ ((1183.00))
6	<u>68,000 lbs.</u>	<u>1093.00</u>	<u>1183.00</u>
7	((70,000 lbs.)). . . . .	\$ ((1177.00)). . . . .	\$ ((1267.00))
8	<u>70,000 lbs.</u>	<u>1177.00</u>	<u>1267.00</u>
9	((72,000 lbs.)). . . . .	\$ ((1259.00)). . . . .	\$ ((1349.00))
10	<u>72,000 lbs.</u>	<u>1259.00</u>	<u>1349.00</u>
11	((74,000 lbs.)). . . . .	\$ ((1368.00)). . . . .	\$ ((1458.00))
12	<u>74,000 lbs.</u>	<u>1368.00</u>	<u>1458.00</u>
13	((76,000 lbs.)). . . . .	\$ ((1478.00)). . . . .	\$ ((1568.00))
14	<u>76,000 lbs.</u>	<u>1478.00</u>	<u>1568.00</u>
15	((78,000 lbs.)). . . . .	\$ ((1614.00)). . . . .	\$ ((1704.00))
16	<u>78,000 lbs.</u>	<u>1614.00</u>	<u>1704.00</u>
17	((80,000 lbs.)). . . . .	\$ ((1742.00)). . . . .	\$ ((1832.00))
18	<u>80,000 lbs.</u>	<u>1742.00</u>	<u>1832.00</u>
19	((82,000 lbs.)). . . . .	\$ ((1863.00)). . . . .	\$ ((1953.00))
20	<u>82,000 lbs.</u>	<u>1863.00</u>	<u>1953.00</u>
21	((84,000 lbs.)). . . . .	\$ ((1983.00)). . . . .	\$ ((2073.00))
22	<u>84,000 lbs.</u>	<u>1983.00</u>	<u>2073.00</u>
23	((86,000 lbs.)). . . . .	\$ ((2104.00)). . . . .	\$ ((2194.00))
24	<u>86,000 lbs.</u>	<u>2104.00</u>	<u>2194.00</u>
25	((88,000 lbs.)). . . . .	\$ ((2225.00)). . . . .	\$ ((2315.00))
26	<u>88,000 lbs.</u>	<u>2225.00</u>	<u>2315.00</u>
27	((90,000 lbs.)). . . . .	\$ ((2346.00)). . . . .	\$ ((2436.00))
28	<u>90,000 lbs.</u>	<u>2346.00</u>	<u>2436.00</u>
29	((92,000 lbs.)). . . . .	\$ ((2466.00)). . . . .	\$ ((2556.00))
30	<u>92,000 lbs.</u>	<u>2466.00</u>	<u>2556.00</u>
31	((94,000 lbs.)). . . . .	\$ ((2587.00)). . . . .	\$ ((2677.00))
32	<u>94,000 lbs.</u>	<u>2587.00</u>	<u>2677.00</u>
33	((96,000 lbs.)). . . . .	\$ ((2708.00)). . . . .	\$ ((2798.00))
34	<u>96,000 lbs.</u>	<u>2708.00</u>	<u>2798.00</u>
35	((98,000 lbs.)). . . . .	\$ ((2829.00)). . . . .	\$ ((2919.00))
36	<u>98,000 lbs.</u>	<u>2829.00</u>	<u>2919.00</u>
37	((100,000 lbs.)). . . . .	\$ ((2949.00)). . . . .	\$ ((3039.00))
38	<u>100,000 lbs.</u>	<u>2949.00</u>	<u>3039.00</u>
39	((102,000 lbs.)). . . . .	\$ ((3070.00)). . . . .	\$ ((3160.00))
40	<u>102,000 lbs.</u>	<u>3070.00</u>	<u>3160.00</u>

1	((104,000 lbs.))	.....	\$	((3191.00))	.....	\$	((3281.00))
2	<u>104,000 lbs.</u>			<u>3191.00</u>			<u>3281.00</u>
3	((105,500 lbs.))	.....	\$	((3312.00))	.....	\$	((3402.00))
4	<u>105,500 lbs.</u>			<u>3312.00</u>			<u>3402.00</u>

Schedule A applies to vehicles either used exclusively for hauling logs or that do not tow trailers. Schedule B applies to vehicles that tow trailers and are not covered under Schedule A.

Every truck, motor truck, truck tractor, and tractor exceeding ~~((6000))~~ 20,000 pounds empty scale weight registered under chapter 46.16, 46.87, or 46.88 RCW shall be licensed for not less than one hundred fifty percent of its empty weight unless the amount would be in excess of the legal limits prescribed for such a vehicle in RCW 46.44.041 or 46.44.042, in which event the vehicle shall be licensed for the maximum weight authorized for such a vehicle or unless the vehicle is used only for the purpose of transporting any well drilling machine, air compressor, rock crusher, conveyor, hoist, donkey engine, cook house, tool house, bunk house, or similar machine or structure attached to or made a part of such vehicle.

The following provisions apply when increasing gross or combined gross weight for a vehicle licensed under this section:

(a) The new license fee will be one-twelfth of the fee listed above for the new gross weight, multiplied by the number of months remaining in the period for which licensing fees have been paid, including the month in which the new gross weight is effective.

(b) Upon surrender of the current certificate of registration or cab card, the new licensing fees due shall be reduced by the amount of the licensing fees previously paid for the same period for which new fees are being charged.

(2) The proceeds from the fees collected under subsection (1) of this section shall be distributed in accordance with RCW 46.68.035.

(3) In lieu of the gross weight fee under subsection (1) of this section, farm vehicles may be licensed upon payment of the fee in effect under subsection (1) of this section on May 1, 2005. In order to qualify for the reduced fee under this subsection, the farm vehicle must be exempt from property taxes in accordance with RCW 84.36.630. The applicant must submit copies of the forms required under RCW 84.36.630. The application for the reduced fee under this subsection shall require the applicant to attest that the vehicle shall be used primarily for farming purposes. The department shall

1 provide licensing agents and subagents with a schedule of the  
2 appropriate licensing fees for farm vehicles.

3 **LIMITING GOVERNMENT-IMPOSED CHARGES ON MOTOR VEHICLES**  
4 **BY REPEALING MOTOR VEHICLE EXCISE TAXES**

5 **Sec. 4.** RCW 81.100.060 and 2002 c 56 s 411 are each amended to  
6 read as follows:

7 A county with a population of one million or more and a county with  
8 a population of from two hundred ten thousand to less than one million  
9 that is adjoining a county with a population of one million or more,  
10 having within their boundaries existing or planned high-occupancy  
11 vehicle lanes on the state highway system, or a regional transportation  
12 investment district for capital improvements, but only to the extent  
13 that the surcharge has not already been imposed by the county, may,  
14 with voter approval, impose a local surcharge of not more than ((three-  
15 tenths of one percent of the value on vehicles registered to a person  
16 residing within the county and not more than)) 13.64 percent on the  
17 state sales and use taxes paid under the rate in RCW 82.08.020(2) on  
18 retail car rentals within the county or investment district. A county  
19 may impose the surcharge only to the extent that it has not been  
20 imposed by the district. No surcharge may be imposed on vehicles  
21 licensed under RCW 46.16.070 except vehicles with an unladen weight of  
22 ((six\*)) twenty thousand pounds or less, RCW 46.16.079, 46.16.085, or  
23 46.16.090.

24 Counties or investment districts imposing a tax under this section  
25 shall contract, before the effective date of the resolution or  
26 ordinance imposing a surcharge, administration and collection to the  
27 state department of licensing, and department of revenue, as  
28 appropriate, which shall deduct an amount, as provided by contract, for  
29 administration and collection expenses incurred by the department. All  
30 administrative provisions in chapters 82.03, 82.32, and 82.44 RCW  
31 shall, insofar as they are applicable to motor vehicle excise taxes, be  
32 applicable to surcharges imposed under this section. All  
33 administrative provisions in chapters 82.03, 82.08, 82.12, and 82.32  
34 RCW shall, insofar as they are applicable to state sales and use taxes,  
35 be applicable to surcharges imposed under this section.

36 If the tax authorized in RCW 81.100.030 is also imposed, the total  
37 proceeds from tax sources imposed under this section and RCW 81.100.030  
38 each year shall not exceed the maximum amount which could be collected  
39 under this section.

1       Valuation of motor vehicles for purposes of any special excise tax  
2 imposed under RCW 81.100.060 must be consistent with section 10 of this  
3 act.

4       Counties or investment districts under RCW 81.100.060 must abide by  
5 the policies and provisions of section 14 of this act.

6                   **LIMITING GOVERNMENT-IMPOSED CHARGES ON MOTOR VEHICLES**  
7                   **BY REPEALING MOTOR VEHICLE EXCISE TAXES AND FEES**

8       **Sec. 5.** RCW 36.120.050 and 2003 c 350 s 4 are each amended to read  
9 as follows:

10       (1) A regional transportation investment district planning  
11 committee may, as part of a regional transportation investment plan,  
12 recommend the imposition of some or all of the following revenue  
13 sources, which a regional transportation investment district may impose  
14 upon approval of the voters as provided in this chapter:

15       (a) A regional sales and use tax, as specified in RCW 82.14.430, of  
16 up to 0.5 percent of the selling price, in the case of a sales tax, or  
17 value of the article used, in the case of a use tax, upon the  
18 occurrence of any taxable event in the regional transportation  
19 investment district;

20       (b) ~~((A local option vehicle license fee, as specified under RCW~~  
21 ~~82.80.100, of up to one hundred dollars per vehicle registered in the~~  
22 ~~district. As used in this subsection, "vehicle" means motor vehicle as~~  
23 ~~defined in RCW 46.04.320. Certain classes of vehicles, as defined~~  
24 ~~under chapter 46.04 RCW, may be exempted from this fee;~~

25       ~~(c))~~ (c) A parking tax under RCW 82.80.030;

26       ~~((d) A local motor vehicle excise tax under RCW 81.100.060 and~~  
27 ~~chapter 81.104 RCW;~~

28       ~~(e))~~ (c) A local option fuel tax under 82.80.120;

29       ~~((f))~~ (d) An employer excise tax under RCW 81.100.030; and

30       ~~((g))~~ (e) Vehicle tolls on new or reconstructed facilities.  
31 Unless otherwise specified by law, the department shall administer the  
32 collection of vehicle tolls on designated facilities, and the state  
33 transportation commission, or its successor, shall be the tolling  
34 authority.

35       (2) Taxes, fees, and tolls may not be imposed without an  
36 affirmative vote of the majority of the voters within the boundaries of  
37 the district voting on a ballot proposition as set forth in RCW  
38 36.120.070. Revenues from these taxes and fees may be used only to  
39 implement the plan as set forth in this chapter. A district may



1 contract with the state department of revenue or other appropriate  
2 entities for administration and collection of any of the taxes or fees  
3 authorized in this section.

4 (3) Existing statewide motor vehicle fuel and special fuel taxes,  
5 at the distribution rates in effect on January 1, 2001, are not  
6 intended to be altered by this chapter.

7 (4) Valuation of motor vehicles for purposes of any special excise  
8 tax imposed under RCW 36.120.050 must be consistent with section 10 of  
9 this act.

10 (5) Any investment district or other governmental entity under RCW  
11 81.104.160 must abide by the policies and provisions of section 14 of  
12 this act.

13 **Sec. 6.** RCW 82.08.020 and 2003 c 361 s 301 are each amended to  
14 read as follows:

15 (1) There is levied and there shall be collected a tax on each  
16 retail sale in this state equal to six and five-tenths percent of the  
17 selling price.

18 (2) There is levied and there shall be collected an additional tax  
19 on each retail car rental, regardless of whether the vehicle is  
20 licensed in this state, equal to five and nine-tenths percent of the  
21 selling price. The revenue collected under this subsection shall be  
22 deposited in the multimodal transportation account created in RCW  
23 47.66.070.

24 ~~(3) ((Beginning July 1, 2003, there is levied and collected an~~  
25 ~~additional tax of three-tenths of one percent of the selling price on~~  
26 ~~each retail sale of a motor vehicle in this state, other than retail~~  
27 ~~car rentals taxed under subsection (2) of this section. The revenue~~  
28 ~~collected under this subsection shall be deposited in the multimodal~~  
29 ~~transportation account created in RCW 47.66.070.~~

30 ~~(4) For purposes of subsection (3) of this section, "motor vehicle"~~  
31 ~~has the meaning provided in RCW 46.04.320, but does not include farm~~  
32 ~~tractors or farm vehicles as defined in RCW 46.04.180 and 46.04.181,~~  
33 ~~off-road and nonhighway vehicles as defined in RCW 46.09.020, and~~  
34 ~~snowmobiles as defined in RCW 46.10.010.~~

35 ~~(5))~~ The taxes imposed under this chapter shall apply to  
36 successive retail sales of the same property.

37 ~~((6))~~ (4) The rates provided in this section apply to taxes  
38 imposed under chapter 82.12 RCW as provided in RCW 82.12.020.

1       **Sec. 7.** RCW 46.16.237 and 2005 --- are each amended to read as  
2 follows:

3       All vehicle license number plates issued after January 1, 1968, or  
4 such earlier date as the director may prescribe with respect to plates  
5 issued in any county, shall be treated with fully reflectorized  
6 materials designed to increase the visibility and legibility of such  
7 plates at night. In addition to all other fees prescribed by law,  
8 there shall be paid and collected for each vehicle license number plate  
9 treated with such materials, the sum of (~~((two-dollars))~~) fifty cents and  
10 for each set of two plates, the sum of (~~((four-dollars-))~~) one dollar.  
11 However, one plate is available only to those vehicles that by law  
12 require only one plate. Such fees shall be deposited in the motor  
13 vehicle fund.

14       **Sec. 8.** RCW 46.16.270 and 2005 --- are each amended to read as  
15 follows:

16       The total replacement plate fee shall be deposited in the motor  
17 vehicle fund.

18       Upon the loss, defacement, or destruction of one or both of the  
19 vehicle license number plates issued for any vehicle where more than  
20 one plate was originally issued or where one or both have become so  
21 illegible or in such a condition as to be difficult to distinguish, or  
22 upon the owner's option, the owner of the vehicle shall make  
23 application for new vehicle license number plates upon a form furnished  
24 by the director. The application shall be filed with the director or  
25 the director's authorized agent, accompanied by the certificate of  
26 license registration of the vehicle and a fee in the amount of (~~((ten))~~)  
27 three dollars per plate, whereupon the director, or the director's  
28 authorized agent, shall issue new vehicle license number plates to the  
29 applicant. It shall be accompanied by a fee of two dollars for a new  
30 motorcycle license number plate. In the event the director has issued  
31 license period tabs or a windshield emblem instead of vehicle license  
32 number plates, and upon the loss, defacement, or destruction of the  
33 tabs or windshield emblem, application shall be made on a form provided  
34 by the director and in the same manner as above described, and shall be  
35 accompanied by a fee of one dollar for each pair of tabs or for each  
36 windshield emblem, whereupon the director shall issue to the applicant  
37 a duplicate pair of tabs, year tabs, and when necessary month tabs or  
38 a windshield emblem to replace those lost, defaced, or destroyed. For  
39 vehicles owned, rented, or leased by the state of Washington or by any  
40 county, city, town, school district, or other political subdivision of

1 the state of Washington or United States government, or owned or leased  
2 by the governing body of an Indian tribe as defined in RCW 46.16.020,  
3 a fee shall be charged for replacement of a vehicle license number  
4 plate only to the extent required by the provisions of RCW 46.16.020,  
5 46.16.237, and 46.01.140. For vehicles owned, rented, or leased by  
6 foreign countries or international bodies to which the United States  
7 government is a signatory by treaty, the payment of any fee for the  
8 replacement of a vehicle license number plate shall not be required.

9 **LIMITING GOVERNMENT-IMPOSED CHARGES ON MOTOR VEHICLES**  
10 **BY REPEALING MOTOR VEHICLE EXCISE TAXES AND FEES**

11 NEW SECTION. **Sec. 9.** The following acts or parts of acts are  
12 hereby repealed:

13 (1) RCW 82.80.100 (Regional transportation investment district--  
14 Local option vehicle license fee) and 2002 c 56 s 408;

15 (2) RCW 82.80.130 (Passenger-only ferry service-Local option motor  
16 vehicle excise tax authorized) and 2003 c 83 s 206;

17 (3) RCW 46.16.071 (Additional fees) and 1996 c 315 s 4;

18 (4) RCW 46.--- and 2005 c ... (The annual vehicle fees added by  
19 Engrossed Substitute Senate Bill No. 6103) s 201; and

20 (5) RCW 82.80.--- and 2005 c ... (The annual vehicle fees by  
21 Substitute Senate Bill No. 5177) s 16.

22 **LIMITING GOVERNMENT-IMPOSED CHARGES ON MOTOR VEHICLES BY USING**  
23 **MARKET VALUE, AND NOT THE ARTIFICIALLY INFLATED MANUFACTURER'S**  
24 **SUGGESTED RETAIL PRICE (MSRP), TO CALCULATE VEHICLE TAXES**

25 NEW SECTION. **Sec. 10.** A new section to chapter 82.44 RCW is added  
26 and reads as follows:

27 A motor vehicle excise tax must be fairly calculated so the burden  
28 on vehicle owners is not artificially inflated. For the purpose of  
29 determining a motor vehicle excise tax, any taxing district imposing a  
30 motor vehicle excise tax must set a vehicle's taxable value by using  
31 the depreciation schedule set forth by this section which, combined  
32 with the appeal process in section 11 of this act, ensures that vehicle  
33 owners are taxed on the market value of their vehicle. The taxable  
34 value depends on a vehicle's age (year of service) and base value which  
35 must be the market value of a vehicle. The base value is used in  
36 combination with the depreciation schedule to calculate the tax. This  
37 formula ensures a fair calculation of the tax.

(1) For the purpose of determining the tax under this chapter, the value of a truck-type power or trailing unit, or motor vehicle, including a passenger vehicle, motorcycle, motor home, sport utility vehicle, or light-duty truck shall be the market value of the vehicle, excluding applicable federal excise taxes, state and local sales or use taxes, transportation or shipping costs, or preparatory or delivery costs, multiplied by the following percentage based on year of service of the vehicle since last sale. The latest purchase year shall be considered the first year of service.

Year of Service	Percentage
1 (new vehicles)	100%
2	75%
3	60%
4	50%
5	40%
6	30%
7	20%
8	10%
9 and over	5%

(2) The reissuance of title and registration for a truck-type power or trailing unit or motor vehicle, including a passenger vehicle, motorcycle, motor home, sport-utility vehicle, or light-duty truck because of the installation of body or special equipment shall be treated as a sale, and the value of the truck-type power or trailing unit or motor vehicle, including a passenger vehicle, motorcycle, motor home, sport-utility vehicle, or light-duty truck at that time, as determined by the department from such information as may be available, shall be considered the market value.

(3) If the value is unavailable or otherwise unascertainable at the time of initial registration in this state, the department shall determine a value equivalent to the market value as follows:

(a) The department shall determine a value using any information that may be available, including any guidebook, report, or compendium of recognized standing in the automotive industry or the selling price and year of sale of the vehicle. The department may use an appraisal by the county assessor. In valuing a vehicle for which the current value or selling price is not indicative of the value of similar

1 vehicles of the same year and model, the department shall establish a  
2 value that more closely represents the average value of similar  
3 vehicles of the same year and model.

4 (b) The value determined in (a) of this subsection shall be divided  
5 by the applicable percentage listed in this subsection to establish a  
6 value equivalent to the purchase price. The applicable percentage  
7 shall be based on the year of service of the vehicle for which the  
8 value is determined.

9 (4) For purposes of this chapter, value shall exclude value  
10 attributable to modifications of a motor vehicle and equipment that are  
11 designed to facilitate the use or operation of the motor vehicle by a  
12 handicapped person.

13 (5) For RCW 35.95A.130, the tax does not apply to year of service  
14 1 (new vehicles). For all other taxing districts, including but not  
15 limited to taxing districts under RCW 81.104.160, the tax applies to  
16 year of service 1 through year of service 9 or older.

17 (6) For purposes of this section, "market value" means latest  
18 purchase price.

19 **Sec. 11.** RCW 82.44.065 and 1990 c 42 s 305 each amended to read as  
20 follows:

21 If the department determines a value for a motor vehicle under  
22 (~~((RCW 82.44.041 equivalent to a manufacturer's base suggested retail~~  
23 ~~price))) section 10 of this act or the value of a truck-type power or  
24 trailing unit under (~~((RCW 82.44.041(2)))~~) section 10 of this act, any  
25 person who pays the tax under this chapter for that vehicle may appeal  
26 the valuation to the department under chapter 34.05 RCW. If the  
27 taxpayer is successful on appeal, the department shall refund the  
28 excess tax in the manner provided in RCW 82.44.120.~~

29 **Sec. 12.** RCW 35.95A.130 and 2002 c 248 s 14 are each amended to  
30 read as follows:

31 The special excise tax imposed under RCW 35.95A.080(1) will be  
32 collected at the same time and in the same manner as relicensing tab  
33 fees under RCW 46.16.0621 and 35.95A.090. Every year on January 1st,  
34 April 1st, July 1st, and October 1st the department of licensing shall  
35 remit special excise taxes collected on behalf of an authority, back to  
36 the authority, at no cost to the authority. Valuation of motor  
37 vehicles for purposes of the special excise tax imposed under RCW  
38 35.95A.080(1) must be consistent with (~~(chapter 82.44 RCW)~~) section 10  
39 of this act.

1       The authority under RCW 35.95A.130 must abide by the policies and  
2       provisions of section 14 of this act.

3       **Sec. 13.** RCW 81.104.160 and 2003 c 1 s 6 are each amended to read  
4 as follows:

5       An agency may impose a sales and use tax solely for the purpose of  
6 providing high capacity transportation service, in addition to the tax  
7 authorized by RCW 82.14.030, upon retail car rentals within the  
8 agency's jurisdiction that are taxable by the state under chapters  
9 82.02 and 82.12 RCW. The rate of tax shall not exceed 2.172 percent.  
10 The base of the tax shall be the selling price in the case of a sales  
11 tax or the rental value of the vehicle used in the case of the use tax.

12       Any motor vehicle excise tax previously imposed under the  
13 provisions of RCW 81.104.160(1) shall be repealed, terminated and  
14 expire on December 5, 2002.

15       Valuation of motor vehicles for purposes of any special excise tax  
16 imposed under RCW 81.104.160 must be consistent with section 10 of this  
17 act.

18       Any agency under RCW 81.104.160 must abide by the policies and  
19 provisions of section 14 of this act.

20                   **LIMITING GOVERNMENT-IMPOSED CHARGES ON MOTOR VEHICLES**  
21                   **BY ELIMINATING OR REDUCING VOTER-REPEALED OR VOTER-REDUCED**  
22                   **MOTOR VEHICLE EXCISE TAXES OR FEES**

23       NEW SECTION. **Sec. 14.** Any governmental entity, including, but not  
24 limited to, any taxing district, agency, investment district, benefit  
25 district, or improvement authority that issues or has issued callable  
26 bonds pledging a motor vehicle excise tax or vehicle fee and that tax  
27 or fee is repealed by a measure approved by a majority of voters at an  
28 election must retire the bonds at the earliest date permitted under the  
29 bond contract if the retirement of the bonds results in the reduction  
30 of government-imposed charges on motor vehicles. Such callable bonds  
31 that were issued prior to the effective date of this measure must be  
32 retired within thirty days of the effective date of this measure. This  
33 section does not affect the issuance or reissuance of bonds pledging a  
34 revenue source other than a motor vehicle excise tax or vehicle fee or  
35 bonds pledging the full faith and credit of the governmental entity.

36       For the purpose of this section, "retire" means defease.

1        NEW SECTION.    **Sec. 15.**    The provisions of this act are to be  
2    liberally construed to effectuate the intent, policies, and purposes of  
3    this act.

4        NEW SECTION.    **Sec. 16.**    If any provision of this act or its  
5    application to any person or circumstance is held invalid, the  
6    remainder of the act or the application of the provision to other  
7    persons or circumstances is not affected. If the repeal or reduction  
8    of any tax or fee in this act is judicially held to impair any contract  
9    in existence as of the effective date of this act, any unused taxing  
10   authority shall be repealed as of the effective date of this act and  
11   the repeal of pledged revenues shall apply to any other contract,  
12   including novation, renewal, or refunding (in the case of bond  
13   contract).

14       NEW SECTION.    **Sec. 17.**    If a taxing district, through litigation or  
15   other tactics, delays the implementation of this act and continues to  
16   collect tax revenue from a tax or fee that is repealed, reduced, or  
17   eliminated by this act, or any other act, and the courts rule that a  
18   refund is required, the taxing district shall refund the entire tax or  
19   fee paid and pay 18% annualized interest (calculated from the effective  
20   date of this measure to the date the refunds are sent) on the refund  
21   amount due to vehicle owners.

22       The people find that taxpayers deserve to be compensated when state  
23   or local governments delay the implementation of a voter-approved  
24   measure.

25       NEW SECTION.    **Sec. 18.**    Part headings used in this act are not part  
26   of the law.

27       NEW SECTION.    **Sec. 19.**    This act shall be called \$30 Tabs, Round 3  
28   - Don't Let the Politicians Take Away Our \$30 Tabs.

29       NEW SECTION.    **Sec. 20.**    This act shall take effect December 7,  
30   2006.

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